

Headquarters Military Traffic Management Command

News Release

MTMC Command Affairs Office

200 Stovall St., Room 11N57

Alexandria, VA 22332

Voice (703) 428-2464 e-mail: randtj@mtmc.army.mil

For more information, contact: John Randt



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Storm-damaged POVs:

MTMC-Industry partnership shows strength in ocean mishap

No industry partnership of the Military Traffic Management Command has been better tested than that challenged Nov. 5 by a giant English Channel wave.

The wave pushed the American Roll-on/Roll-off vessel *Faust* over 32-degrees – and in so doing put MTMC's entire Global Privately Owned Vehicle Contract in full public display.

As the ship heeled violently in the storm, an Air Force tug vehicle broke free of its lashing and careened into the side of a diesel fuel tank. The tank ruptured sending 10 tons of diesel oil on the deck, and adjacent lower levels, contaminating 166 vehicles among a cargo headed for their service member owners in Europe.

MTMC's prime contractor, American Auto Logistics, Inc., moved fast to financially support the affected service members – not limit liability damages. In fact, the firm would repeatedly exceed its contractual obligations in coming weeks.

To date, the firm estimates total liability in the incident at \$3 million.

"We'd do it again," said Bill Antonelli, Vice-President, of the Monroe, N.Y., firm.

"This entire matter is a reflection of how we do business."

Flying to Bremerhaven, Germany, where the *Faust* eventually was rerouted, Antonelli took charge of the crisis.

Antonelli reflected on his firm's response to the crisis Feb. 27 while visiting one of his firm's subcontracted vehicle processing centers in Baltimore.

The starkest days of the crisis are now long over.

Initially, robust efforts were made with auto service centers to clean the vehicles. For the most part, cleanup work was short term. A vehicle free of diesel oil in the evening would appear contaminated again the next morning with insidious oil pooled on seats and floor mats

Eventually, the firm declared all 166 vehicles contaminated and began assisting and compensating owners.

Numerous assistance to affected service members was provided. The compensation included free use of a rental car for 30 days, American Blue Book value reimbursement and the free shipment of a second vehicle from the United States.

Currently, settlements have been made with all but four of the affected service members.

American Auto Logistics is continuing to do what it has done since late 1998 – moving an estimated 75,000 privately owned vehicles a year worldwide for MTMC.

The firm promises more service member initiatives in the future. Seven additional vehicle processing centers have been added since the contract was signed.

In coming months, a new software system will be available so customers may more easily assess shipping information – and their vehicle's current location.

"The program is going extremely well," said Antonelli. The focus we have is the customer – we truly believe that."

The entire MTMC-Industry relationship in the crisis was closely observed by Frank Galluzzo, leader of the team that developed the concept of the Global Privately Owned Vehicle Contract.

"When you have a long-term alliance with an industry partner and you run into a major condition in the contract, an industry partner stands up to the plate," said Galluzzo, now serving as Director, Distribution Analysis Center.

"They do the right things for you such as rent cars and give the most favorable treatment as possible to the service members," said Galluzzo. "In effect, they say by their actions, 'I'm going to keep the relationship going.'"

What would have happened before the contract was initiated Sept. 21, 1998?

"In the old days you would have four or five players involved – it would have been slow and complicated."